



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-3

December 19, 1996

Ethan Strimling, Treasurer
Democrats 2000
1311 L Street, NW, Ste. 300
Washington, DC 20005

Identification Number: C00230342

Reference: Amended Mid-Year (1/1/95-6/30/95) received 6/21/96, Amended Year
End (7/1/95-12/31/95) received 6/21/96, Amended April Quarterly
(1/1/96-3/31/96), and July Quarterly (4/1/96-6/30/96) Reports

Dear Mr. Strimling:

This letter is to inform you that as of December 18, 1996, the Commission has not received your response to our requests for additional information dated November 26, 1996. These notices request information essential to full public disclosure of your federal election campaign finances. To ensure compliance with the provisions of the Federal Election Campaign Act (the Act), please respond to these requests (copies enclosed).

If no response is received within fifteen (15) days from the date of this notice, the Commission may choose to initiate audit or legal enforcement action.

If you should have any questions regarding this matter, please contact Jennifer K. Wall on our toll-free number (800) 424-9530 or our local number (202) 219-3580.

Sincerely,

A handwritten signature in dark ink, appearing to read "John D. Gibson". The signature is fluid and cursive, with a large loop at the end.

John D. Gibson
Assistant Staff Director
Reports Analysis Division

Enclosures



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

RQ-2

NOV 26 1996

Ethan Strimling, Treasurer
Democrats 2000
1311 L. Street, N.W.
Suite 300
Washington, DC 20005

Identification Number: C00230342

Reference: Amended Year End Report (7/1/95-12/31/95)
received 6/21/96

Dear Mr. Strimling:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Schedule H2 identifies event A013 as exempt, however, the disbursements on Schedule H4 for this event are identified as Admin/Voter Drive. Please note that only state and local party committees are permitted to make exempt expenditures. Non-connected committees do not fall in this category. Please amend your report to correct this discrepancy.

-On Schedule H4 of your report, you have failed to include the PURPOSE of all payments for all events. All payments for these events must include both a unique identifying code and the purpose of the disbursement. Please amend your report to include the missing information.

-On Schedule H2 of your report you disclose the ratio for A011 to be 50% FEDERAL and 50% NON-FEDERAL. However, your Schedule H4 calculations reflect the ratio to be 30% FEDERAL and 70% NON-FEDERAL. Please amend your report to clarify this discrepancy.

Please note that if your non-federal account has overpaid your federal account because of this miscalculation, it will be necessary to immediately transfer these funds back to the non-federal account. While the Commission may take further legal action concerning any impermissible overpayments by the non-federal account, your prompt action will be taken into consideration.

-On Schedule H2 of your report you disclose the ratio for A012 to be 40% FEDERAL and 60% NON-FEDERAL. However, your Schedule H4 calculations reflect the ratio to be 29% FEDERAL and 71% NON-FEDERAL. Please amend your report to clarify this discrepancy.

Please note that if your non-federal account has overpaid your federal account because of this miscalculation, it will be necessary to immediately transfer these funds back to the non-federal account. While the Commission may take further legal action concerning any impermissible overpayments by the non-federal account, your prompt action will be taken into consideration.

-Your report discloses in-kind contributions ("donations") from corporations on Schedule H4, supporting Line 21(a) of the Detailed Summary Page (pertinent portions attached). Pursuant to Advisory Opinion 1992-33 (copy attached), the Commission concluded that a "national party committee may accept corporate in-kind donations in connection with fund-raising activities" as long as "the federal share of goods or services is paid or transferred to the non-federal account in advance" of the acceptance of the corporate in-kind donations by the federal account.

Advisory Opinion 1992-33 also discloses a detailed method for reporting the receipt and use of in-kind contributions as follows:

1. The transfer of the in-kind corporate contribution from the non-federal account to the federal account should be disclosed on Schedule H3. The itemization on Schedule H3 should include the date the Committee received the in-kind contribution, the amount of the contribution and the fundraising event involved.

2. The use or expenditure of in-kind corporate contributions should be disclosed on Schedule H4 as non-federal share disbursements. The itemization should provide the same donor identification information required on a Schedule A for in-kind contributions for Federal elections.

3. A second entry on Schedule H4 should then disclose the advance or contemporaneous payment of the federal account's share of the in-kind corporate contribution to the non-federal account.

DEMOCRATS 2000
PAGE 3

Please amend your report to properly disclose the in-kind corporate contributions received by your Committee.

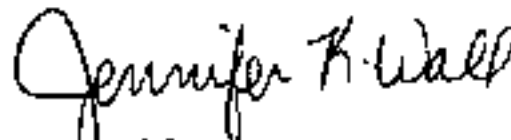
-100% federal and 100% non-federal events do not fall within the definitions of allocable expenses. These disbursements should be reported on Schedule B

supporting Line 21(b). Please amend your report to properly show these disbursements.

-Your report includes computer produced formats of FEC Form 3X - All Schedules. Computer produced formats may only be used upon prior approval of the Commission. You should submit a separate sample format with a cover letter requesting approval. Until your format has been approved, FEC forms must be used. 11 CFR §104.2(d)

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 219-3580.

Sincerely,



Jennifer K. Wall
Reports Analyst
Reports Analysis Division